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IT Market View

Top Domestic

IT Locations

2011

By Tim Nitti
Principal, KLG Advisors

2011 Metro Evaluation Results: *IT Staffing Potential*

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IT Market View

Identifying the Top Domestic IT Talent Markets

Least Favorable ———————————————————— Most Favorable

Charlotte	Atlanta	Ft. Worth	Dallas	Austin
Houston	Cincinnati		Denver	Baltimore
Indianapolis	Cleveland		Detroit	Columbus
Miami	Phoenix		St. Louis	Kansas City
Milwaukee				Minneapolis
Norfolk				Pittsburgh
Orlando				Raleigh-Durham
Portland				Richmond
Tampa				Salt Lake City

KLG Advisors is the premier advisory firm for companies seeking to implement location and real estate decisions that deliver lasting advantages. Our objective, informed advice gives business leaders the clarity, impartiality, and foresight they need to proceed with confidence.

We have the experience, expertise, and vision to help you optimally position yourself to ensure access to the talent you need, when you need it, at a cost that provides you with a meaningful advantage over your competitors.

To discuss the results of this report or learn how KLG can assist you, please call this report's author, Tim Nitti, at 212.514.4602, or visit KLG's website at http://www.klgadvisors.com to find out more about us.

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For companies that rely on Information Technology talent, acquiring and retaining the talent they need to remain competitive, while also simultaneously keeping costs in check, has become a major challenge that has evolved over the last two decades. Long-term demographic and economic patterns have resulted in a global shortage of IT talent. These trends are highly unlikely to change in the future. Simultaneously, demand for skilled technologists continues to increase.

Despite the global IT talent shortage, there are locations – *many on shore in the U.S.* – that provide strong pools of high-quality talent, coupled with much less intense competition, and dramatically lower employment costs than in most of the traditional IT centers that emerged during the end of the last century. Establishing new employment centers in these kinds of markets can provide enormous benefits:

- The capability to acquire the talent necessary to satisfy the needs of your customers and to drive the innovation that is key to your long-term success

- Much higher workforce retention resulting in greater stability, faster cycle times, and reduced costs for training and re-staffing, and – perhaps just as importantly – greater retention of your valuable intellectual property

- An enhanced bottom line as a result not just of lower costs, but also as a result of faster revenue growth driven by access to the resources you need to effectively compete

KLG has in-depth experience helping many of the world's leading companies leverage geography to effectively respond to these challenges and create lasting competitive advantages. One of the many analytical tools we have developed is a highly reliable methodology for providing insight into the labor markets that have the potential to provide this type of transformative impact for IT employers. This report provides an overview of the most current results of this methodology.

Of course, such dramatic improvements are achieved through a holistic approach to selecting the right location, and while talent supply as evaluated in this report is critical, it is but a first step in comprehensively evaluating alternatives and applying a detailed and sophisticated approach to ensuring that the needs of each unique company are taken into account. As the premier advisor on location strategies, KLG has the experience and capabilities critical to providing just this type of approach.

This report is demonstrative of the kind of thinking KLG Advisors is prepared to apply to current challenges you face in order to help you achieve your overall objectives for the future. I welcome the opportunity to discuss our full range of capabilities, and provide you with specific ideas for how we can develop strategies tailored to your needs. My contact information is provided below, I look forward to speaking with you.

Kind Regards,

Doane Kelly,
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KLG Advisors has developed this IT Market View report in order to highlight U.S. Metro areas that have the ability to provide IT employers with the talent they need to succeed. It provides a high level overview of recent trends and identifies cost-effective U.S. locations with strong existing IT talent pools and the right characteristics to support growth.

TOP U.S. METROS FOR IT TALENT EXPANSION

Austin, TX

Baltimore, MD

Columbus, OH

Kansas City, MO-KS

Minneapolis, MN

Pittsburgh, PA

Raleigh-Durham, NC

Richmond, VA

Salt Lake City, UT

Acquiring and retaining Information Technology talent has been a challenge for companies in virtually all sectors of the economy from the late '90s through today. This is true both within the technology industry itself, but also broadly across other industries employing significant numbers of technologists. Long-term expectations are that IT talent supply will continue to pose a challenge both to technology industry employers as well as employers in other industries with high demand for IT workers.
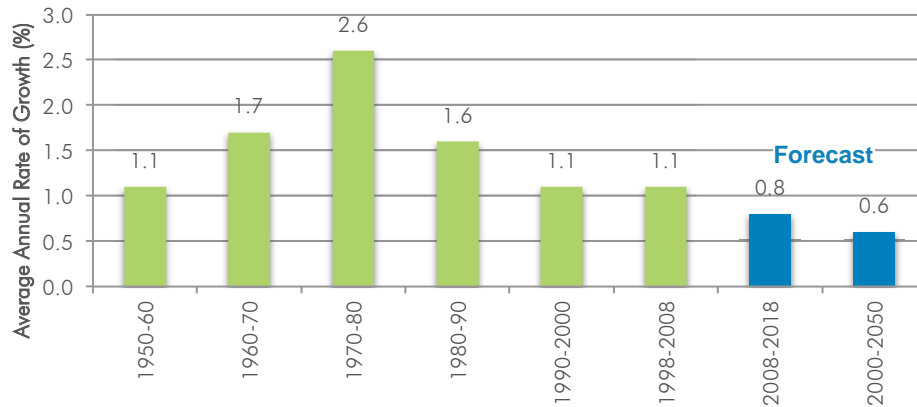
This is being driven by fundamental trends, which are unlikely to change, that are resulting in strong growth in demand for IT talent coupled with insufficient growth in supply;

- Strong demand for IT talent occurring in the context of an overall shrinking rate of workforce expansion and decreasing percentages of students in colleges/universities seeking technology-focused degrees

- Constantly changing technologies and the associated skill requirements driving demand for new/replacement workers

- New corporate focus on reducing costs likely to drive investment in productivity-enhancing technologies with a corresponding demand for the IT talent to develop and implement these technologies

- Continued limitations on importing talent from outside the borders of the U.S.

At the same time, employment of IT talent in the U.S. remains highly concentrated in a relatively limited number of large metropolitan areas in which this employment sector originally developed. Today these regions are typically hyper competitive, expensive to operate in, and are experiencing a net out-migration of talent. The overall environment is challenging and these difficulties are only heightened for companies operating in these locations. These regions do have large supplies of relevant workers. However, demand typically exceeds supply, often instead of growth in talent these regions are experiencing contraction, and costs are extremely high for both employers and employees. The result is extreme competition for talent, high rates of turnover, and ever-escalating expenses.

However, there are locations across the U.S. that possess the ability to provide employers of IT workers with deep pools of high quality existing talent, ongoing expansion of talent supply, and much more favorable compensation, real estate and operating costs. Increasingly, IT employers are focusing on establishing presences in such locations in order to leverage these positive attributes and create long-term sustainable competitive advantages. Ready access to talent and less competition means a greater ability to meet expansion needs, faster cycle times, less turnover, and dramatically lower costs.
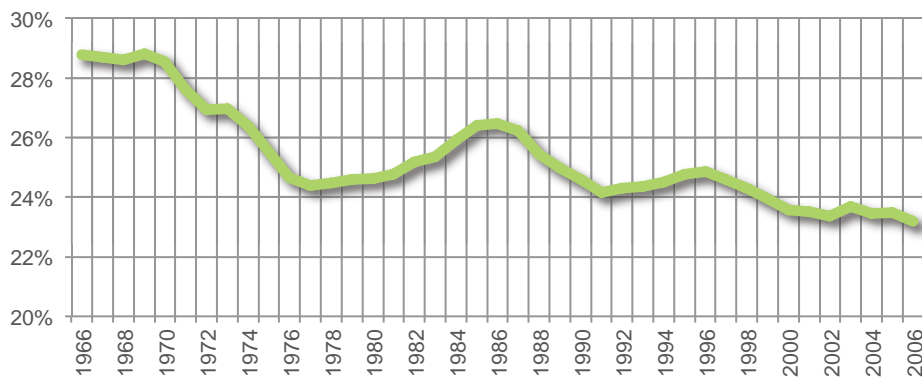
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Average Annual Growth Rate of the U.S. Workforce by Decade
Past Rates and Bureau of Labor Statistics Forecasts

Average Annual Rate of Growth (%)

Period	Rate
1950-60	1.1
1960-70	1.7
1970-80	2.6
1980-90	1.6
1990-2000	1.1
1998-2008	1.1
2008-2018 (Forecast)	0.8
2000-2050 (Forecast)	0.6

The U.S. workforce is growing at increasingly slower rates.
Driven largely by declining birth rates coupled with the aging and retirement of the large "baby boom" generation, the expansion of the U.S. workforce has already slowed considerably, and is expected to continue to do so going forward.
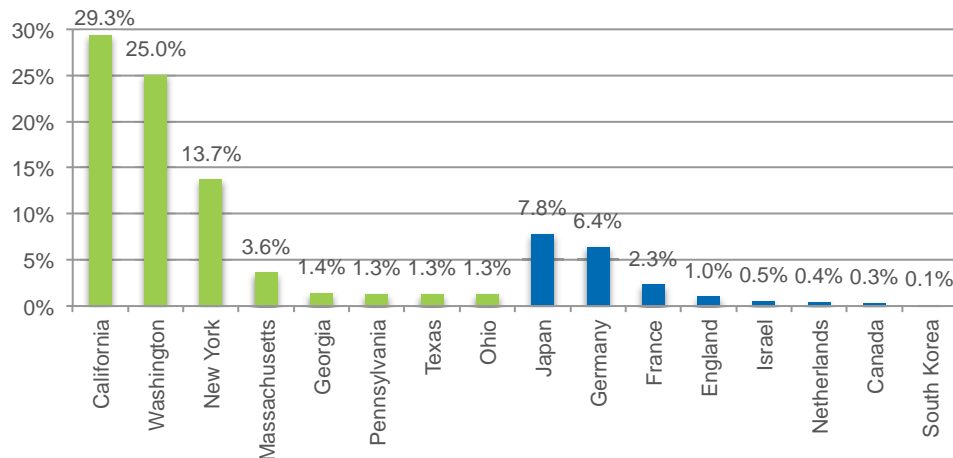
Proportion of Total U.S. Undergraduate and Graduate Degrees Awarded in Science and Engineering Fields

Production of new technology-related talent isn't expanding to keep pace with demand.
Despite robust demand, the proportion of total degrees awarded by U.S. colleges and universities in science and engineering related fields has trended steadily downward from its peak in the mid- to late- '60s.

Share of Global Revenues by Location of Headquarters of Top 100 Software Firms

Location	Share
California	29.3%
Washington	25.0%
New York	13.7%
Massachusetts	3.6%
Georgia	1.4%
Pennsylvania	1.3%
Texas	1.3%
Ohio	1.3%
Japan	7.8%
Germany	6.4%
France	2.3%
England	1.0%
Israel	0.5%
Netherlands	0.4%
Canada	0.3%
South Korea	0.1%

Demand for IT talent remains highly concentrated geographically in a small number of locations.
For example, almost half of the revenue of the worlds 100 largest software companies is earned by firms headquartered in California, New York, and Massachusetts; locations with low workforce growth, high costs, and intense competition for talent.

KEY CURRENT TRENDS

The recession and ongoing economic uncertainty has impacted demand for IT workers less than it did across the broader economy.

Current signs are pointing toward the likelihood that accelerated employment growth in IT-related jobs will occur faster than in other employment sectors.

Even if economic recovery fails to accelerate and instead remains status quo, it is likely that IT labor markets will remain relatively tight.

With strong economic growth in the future, the long-term expectations are that the ultra-competitive dynamics seen during the late '90s-2001 and from 2003 through 2007 will resume.

- Recent economic conditions have eased some of the pressure and reduced competition for IT talent. However, the recession showed less impact on demand for technology workers than it did in the broader employment market.

- Broadly held expectations have been that hiring in the Technology sector would occur on the leading edge of economic recovery, and likely recover to more robust levels faster than other sectors. Activity throughout 2010 was consistent with these predictions.

- Companies (and consumers) have resumed spending on technology, often at rapid rates, as a result of very low spending levels during the depths of the recession that resulted in considerable pent up demand.

- There are strong indications that fundamental structural changes in a number of industries will increase spending on technology solutions to drive down costs as a means of maintaining profit margins in the context of constraints to revenue levels, or to comply with new/increased regulatory requirements. Among the industries where this is expected to occur are Financial Services and Healthcare.

- Changing technology consumption patterns and continued proliferation of data-intensive applications and products will likely fuel expansion in specific sectors (e.g., data storage, high-bandwidth content delivery, network infrastructure).

- New competitors for talent continue to enter the U.S. market. For example, large-scale outsourcers traditionally focused on staffing offshore are now building substantial operations in the U.S. to meet client operational needs, satisfy regulatory requirements, and better meet quality and cycle time objectives.

- U.S. policy on immigration is likely to continue to severely limit the ability of employers to import sufficient quantities of talent from other countries.

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- Companies are increasingly focused on leveraging expansion into near shore domestic locations as a means of improving their capability to attract and retain critical talent as well as to control costs by reducing staffing in traditional high-cost locations.

- Additionally, a major focus is emerging on optimizing how companies utilize their portfolios of current locations. To react to rapid growth needs in the past, many companies responded by quickly opening up new locations, often without the time to focus on a holistic optimization of their staffing strategy. This has created a model in which most large scale employers of technology talent operate very geographically diverse operations – spread across a range of locations, often across the globe, and leveraging multiple modes of staffing from captive to outsourcing to joint ventures. The need to re-evaluate and rationalize how these diverse components are used has become a key priority.

- Offshore strategies continue to be utilized and incrementally expanded, though this has slowed considerably in recent years.

  - Many companies report that they have reached the limits of the scope of functionality that can be optimally staffed in this manner, and growth offshore is being limited to expansion of the functions already offshore.

  - A large number of the established offshore markets have become overheated and increasingly costly and challenging from a staffing perspective. Companies are being driven to less established locations with better cost structures and lower levels of competition, but very often such locations offer less developed levels of human and physical infrastructure and greater degrees of operational challenge/risk.

  - From a "total cost of ownership" perspective, economic benefits of offshoring relative to near-shoring continue to erode (and in some cases have even disappeared entirely). This is leading many to see an equation in which offshoring providing only marginal benefits vs. near-shoring, but with substantially greater risk, complexity, and uncertainty.

Companies are responding by leveraging new locations with more favorable supply characteristics and lower levels of competition.

Increasingly the focus is on better leveraging near shore sourcing in the U.S.

There is also a strong emphasis today on optimizing the use of current locations to ensure that these are leveraged as effectively as possible.

Offshoring continues to be one important method of accessing talent; however, employers have in many cases reached the limits of the workforce scale and the scope of functions suited to offshore locations. Many are seeing that the economic benefits of offshoring have been reduced significantly over time.

MARKET VIEW: *METHODOLOGY AND RESULTS*

KLG utilizes a proprietary evaluative framework to regularly produce an up-to-date view of the IT talent pool across U.S. Metros. For any employer of significant numbers of IT workers, a critical factor should always be the pool of relevant talent available in a location.

This methodology takes into account a set of key variables critical to understanding which markets have a strong potential to accommodate significant expansion of demand for IT talent. First, the universe of options are screened down to those metros that have both a sizable IT labor force and a favorable cost structure. These locations are then evaluated based on rankings of the extent to which they provide a high concentration of talent, have shown the capacity to grow the relevant talent pool, and the degree to which proximate colleges and universities are generating relevant new talent.

The table on the facing page shows the results of the analysis.

Current Scale of IT Talent Pool

The absolute number of relevant workers in an area is certainly of importance to any employer. Identifying a minimum talent pool size based on the scale of staffing required is a useful first step in evaluating location options. However, it is a mistake to over rely on absolute scale as an evaluative measure. There is a strong correlation between IT workforce scale and overall population size. Large metros tend to have large IT workforces. Many also tend to have high demand for IT talent, so a large IT workforce scale alone is not necessarily indicative of a favorable supply:demand dynamic.

Cost of IT Talent

Most organizations – if not explicitly, then at least implicitly – have as a key objective the development of cost effective models of staffing their IT talent needs. Labor cost in the U.S. is highly variable, and is a function of the underlying living cost of an area and the competitive environment for talent. While there are certainly many reasons for staffing in the relatively small number of ultra-high cost locations in the U.S. (proximity to front office functions housed at HQ's, access to highly specialized industry knowledge only available in a very limited set of locations, etc.) there are tremendous opportunities to accrue the benefits of lower cost staffing opportunities where top talent can be acquired and retained at significant savings.

Concentration of IT Talent Relative to the Overall Labor Force

In any location of reasonable scale there is a virtually ubiquitous baseline demand for IT workers to support everything from local small businesses to major employers. Looking at the overall concentration of IT workers in a location (IT labor force divided by the overall labor force in the location) is key to identifying locations that have a higher than typical concentration of IT talent, which is frequently indicative of both a favorable supply:demand dynamic as well as correlating with the presence of larger more sophisticated corporate IT and pure IT industry employers.

Recent Trends in IT Talent Pool Growth

Past growth trends provide insight into likely future market elasticity. The likely potential for a market to demonstrate future expansion in relevant talent is a critical success factor for additional demand expansions. A tight market, with little elasticity in supply can quickly "over heat" as a result of even modest levels of new demand being introduced. Strong growth in U.S. locations is by and large a product of in-migration from other areas of the country, these patterns are generally stable and predictable, so while past trends are not perfect indicators of future trends, they do tend to be very strong indicators. Particularly when informed by a detailed look at key structural factors that correlate with future growth patterns it is possible to predict likely growth and labor elasticity trends of locations.

Output of New IT Talent from Proximate Colleges & Universities

For IT talent, colleges and university production of new grads with relevant degrees is a critical feeder source. Even if an employer intends to expand purely from hiring experienced talent, this feeder source is relevant as it provides overall market elasticity. As the expansion occurs and some component of the experienced talent is hired from other local employers, the supply of new grads provides those employers with a source of replacement hires as they respond by moving other employees into the roles vacated by the employees the expanding company has attracted away from them.

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Ratings of Locations on Key IT Talent Pool Indicators and Overall Evaluations

Group	Metro	Concentration of IT Talent	Growth of IT Labor Force	University and College Output
Very Strong	Austin, TX	🟢	🟢	🟢
	Baltimore, MD	🟢	🔴	🟢
	Columbus, OH	🟢	🟢	🟩
	Kansas City, MO-KS	🟢	🟢	🟡
	Minneapolis, MN	🟢	🟢	🟡
	Pittsburgh, PA	🔴	🟢	🟢
	Raleigh-Durham, NC	🟢	🟡	🟢
	Richmond, VA	🟢	🟢	🔴
	Salt Lake City, UT	🟩	🟢	🟢
Strong	Dallas, TX	🟢	⚪	🔴
	Denver, CO	🟢	🔴	🟩
	Detroit, MI	🟩	🔴	🟢
	St. Louis, MO-IL	🟩	🔴	🟢
Mid-Point	Ft. Worth, TX	🔴	🟩	🟢
Weak	Atlanta, GA	🟩	🔴	🟩
	Cincinnati, OH	🟡	🟡	🟡
	Cleveland, OH	🔴	🟢	🟡
	Phoenix, AZ	🔴	🟩	🟩
Very Weak	Charlotte, NC	🟡	🔴	🔴
	Houston, TX	🔴	🟢	🔴
	Indianapolis, IN	🔴	🔴	⚪
	Miami, FL	🔴	🟡	🔴
	Milwaukee, WI	🟡	🔴	🟢
	Norfolk, VA	🔴	🟩	🔴
	Orlando, FL	🔴	🟩	🔴
	Portland, OR	⚪	🟡	🔴
	Tampa, FL	🟡	🔴	🔴

Producing the Ratings

Analyses are conducted on Metro areas with at least 20,000 IT workers in order to focus on markets with at least reasonable scale. Ultra-high cost markets are excluded to further focus the analyses on identifying high quality locations that also provide a strong economic value proposition. The 27 Metro Areas that meet these criteria are then ranked on three key variables (these ranks are shown in the table on this page), then the overall ranking of the composite of those component rankings is calculated. See the Appendix for more detail on the methodology.
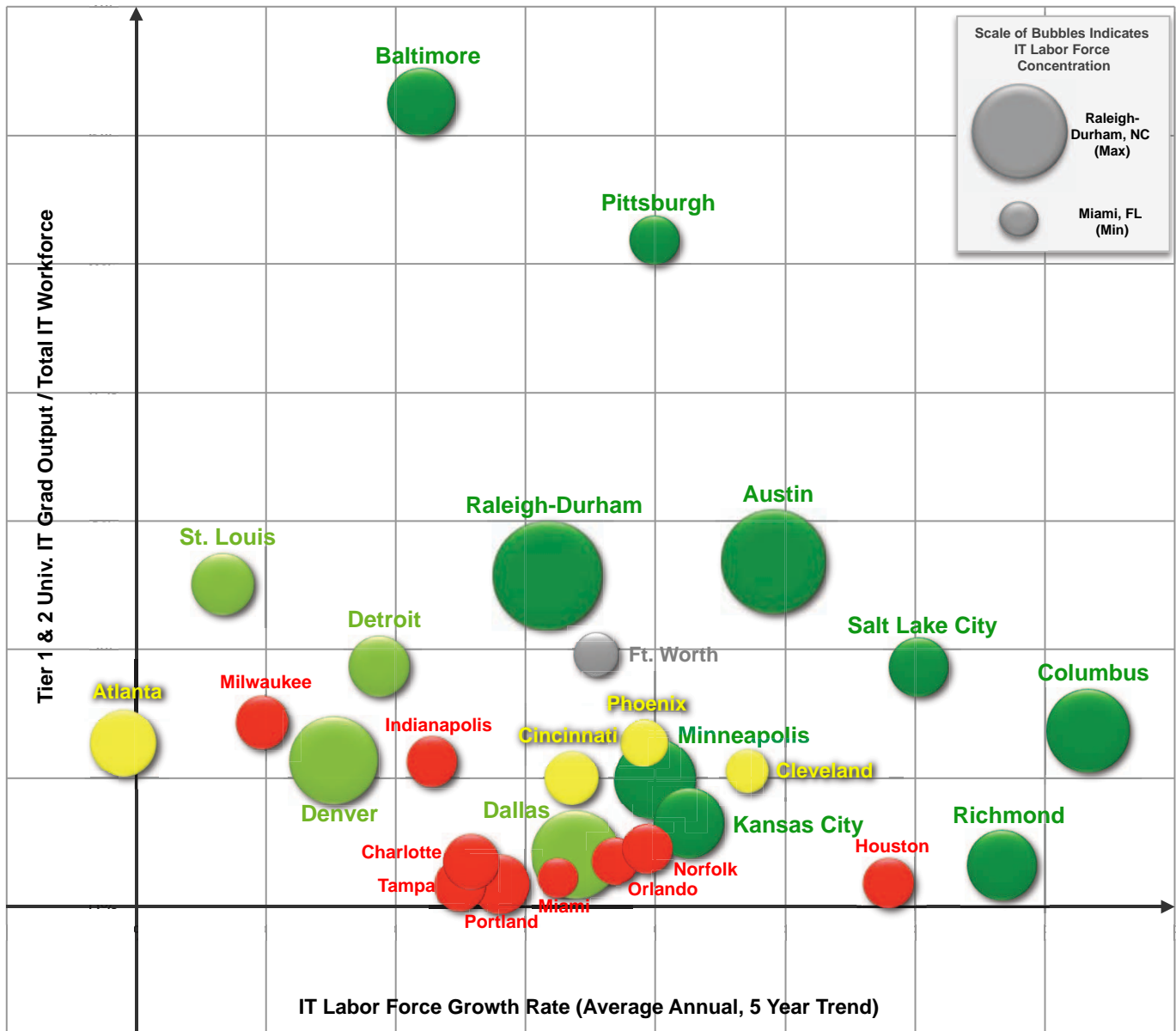
It is critical to understand that even among the top locations highlighted by this methodology there are important differences in how each performs on specific factors, and which factors drive the overall positive performance of each market. For any specific situation in which a company is making a location decision, or evaluating the underlying dynamics that are impacting a current operation in a market, these differences are crucial. Plotting the locations graphically as shown on the facing page based on the three key variables considered can be useful as a means of understanding which factors are influencing the overall evaluations.

The nature of each market's particular strengths should be a critical determinant in which would best suit a particular employer and its unique talent needs and strategies. For instance, Metros such as Raleigh-Durham and Austin already boast very high levels of IT workforce concentration and strong pipelines of new talent. Alternately, places like Pittsburgh and Baltimore have more modest current concentrations, but strong growth pipelines. These represent very different market dynamics suited to quite different staffing plans. An employer that intends to rely on locally hired, experienced talent might find a market like Raleigh or Austin a better fit. However, one that intends to rely primarily on hiring recent university graduates may find that a place like Pittsburgh or Baltimore could provide a competitive advantage due to a strong relevant talent pool and more limited quantities of established technology employers with which to compete for that talent.

There is also a deeper level of analysis necessary prior to making any location decisions in order to fully understand the talent supply even among the top markets. All IT skillsets are not fungible or even remotely similar to one another. The markets highlighted here have different strengths in terms of the types of IT talent that makes up the current supply and future pipeline. One market may be heavily focused on applications development for enterprise applications, while another may have a stronger pool of talent with deep knowledge of IT infrastructure. Ultimately it is critical to look deeper into any given market, and then align it with the requirements of a given employer.

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Key Talent Pool Indicators: All Factors

Scale of Bubbles Indicates
IT Labor Force
Concentration

Raleigh-Durham, NC (Max)

Miami, FL (Min)

Tier 1 & 2 Univ. IT Grad Output / Total IT Workforce (y-axis)

IT Labor Force Growth Rate (Average Annual, 5 Year Trend) (x-axis)

Bubbles: Baltimore, Pittsburgh, Raleigh-Durham, Austin, St. Louis, Salt Lake City, Columbus, Detroit, Ft. Worth, Atlanta, Milwaukee, Indianapolis, Phoenix, Minneapolis, Cincinnati, Cleventon, Denver, Dallas, Kansas City, Richmond, Charlotte, Houston, Norfolk, Tampa, Orlando, Miami, Portland

Key Talent Pool Indicators: Individual Factor Top Performers

High Concentration of Existing Experienced Talent	Strong Overall IT Sector Employment Expansion	High Output of Relevant Talent from Universities and Colleges
Raleigh-Durham	Columbus	Baltimore
Austin	Richmond	Pittsburgh
Dallas	Salt Lake	Austin
Denver	Austin	Raleigh-Durham
Columbus	Kansas City	St. Louis

Note: All data utilized in the report was obtained from U.S. Federal Government agencies. Actual data values have been omitted from this report in order to preserve KLG's proprietary methods for constructing the indices shown.

MAKING A LOCATION DECISION:
OTHER CRITICAL FACTORS

For employers of IT talent, the supply characteristics of labor markets should be a primary decision driver, and the methodology utilized here and the results do provide a useful index of IT labor feeder characteristics in the largest, cost effective markets across the U.S. The analysis provides a high-level, objective view of how major U.S. Markets compare in terms of IT labor supply relative to demand for such talent. As such, it is a very useful tool for highlighting some of the markets likely to accommodate increased demand without an associated increase in competition and cost. Likewise, it clearly identifies those regions where satisfying significant increases in demand for this type of talent would be challenging.

However, it's critical to emphasize the importance of a holistic, multi-faceted approach to evaluating locations, one that considers the full scope of information necessary to assuring an optimal fit with a company's needs. Such an approach must take into account detailed data on other IT-specific factors such as:

- Mix of specific occupations, technical skill sets, and experience levels in the region
- Detailed compensation information for specific roles to be staffed
- Presence of other IT employers and their scale, functions performed, competitive positioning in the market, and hiring and retention
- Specific college/university training and research focus within relevant IT-related departments and the types of career opportunities graduates choose to pursue
- Ability, when necessary, to recruit highly specialized, highly experienced talent globally into the location
- The overall typical culture and work norms of the IT community in the area and how this aligns with a specific company's culture

Additionally, any decision must also consider a broad range of relevant information beyond sector-specific labor supply and demand dynamics. It is critical that assessments be made of the overall economic and demographic trends in locations, operational factors, detailed cost data on real estate and other operating costs, key infrastructure and commutation information, and detailed evaluations of key risk factors.

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Examples of Key Evaluative Factors

Industry Presence and Core Labor Force Dynamics

- Employment Levels in Relevant Sectors/Occupations: *current, past trends, and future projections*
- Major/Key Employers
- Major Feeder Sources /Higher-Education: *output and quality*
- Recent Economic/Hiring Cycles: *ramp-ups/layoffs/ consolidations in key sectors or among relevant employers*
- Detailed Compensation Estimates (by position and experience level) and Trends
- General Economic Landscape
- Employment, Unemployment, Underemployment
- Sector Employment Distribution Trends

Population Demographics

- Current Population Size and Trends
- Sources of Population Change (e.g., organic, domestic/ international migration)
- Population Composition (e.g., age, educational attainment, employment status, etc)
- Projected Population Composition and Migration Models
- Income Levels and Socioeconomic Status

Geographic Location & Transportation

- Transportation Connectivity
- Local Commute Times
- Key Geography-specific Risk Factors
- Transportation Mode Reliability
- Time Zone Coverage of Key Markets

Quality of Life & Attractiveness to Target Populations

- Educational Infrastructure
- Housing Costs
- Career Opportunities
- Crime and Public Safety
- Healthcare Infrastructure
- Climate
- Cultural Amenities and Recreation

Community Cost Factors

- Real Estate and Operating Costs
- Cost-of-Living Indices
- Housing Cost
- Taxation Factors

APPENDIX: *METHODOLOGY*

Focus on markets capable of more than small-scale hiring

Markets with at least 20,000 IT workers currently employed were included. This is intended to focus the analyses on markets that have the capability to sustain the hiring of a sizable IT workforce by a new employer entering the market, or an existing employer conducting a significant staffing expansion.

Exclusion of Ultra-High-Cost Locations

The metro areas within the top tier of employment cost levels for IT workers were eliminated from consideration, these Metros typically have IT compensation costs of approx. 20% to 35% above those that were included in the analysis. Metros excluded are:

- New York
- Washington, DC
- San Jose-San Francisco
- Los Angeles
- Boston
- Chicago
- Seattle
- Philadelphia
- San Diego
- Sacramento
- Hartford

Rankings on each of the relative measures were created, and a sum of those rankings calculated, with each factor contributing equally. Relative measures were scaled as follows:

- IT Concentration = IT Workforce denominated by the Total Workforce
- IT Average Annual Growth Rate = Total Five Year IT Workforce Growth/5
- IT University Output/IT Workforce = Total Number of IT Graduates (bachelors and advanced degrees) Denominated by the Total IT Workforce in the Metro

Locations were then grouped by the rank ordering of the Metros on the composite score. Locations within the groupings are presented alphabetically.

While it is tempting to utilize the composite scores to rank the Metros within each grouping, it is KLG's view that further differentiation of the Metros within a grouping via that process is likely not optimal. Instead, differentiation among Metros within a grouping should be based on much more in-depth examination of a host of additional factors in the context of a specific employer's talent needs and operational requirements.

Validation of these indicators:

KLG has been utilizing the methodology outlined here for over eight years as a means of assessing IT staffing potential of Metro Areas.
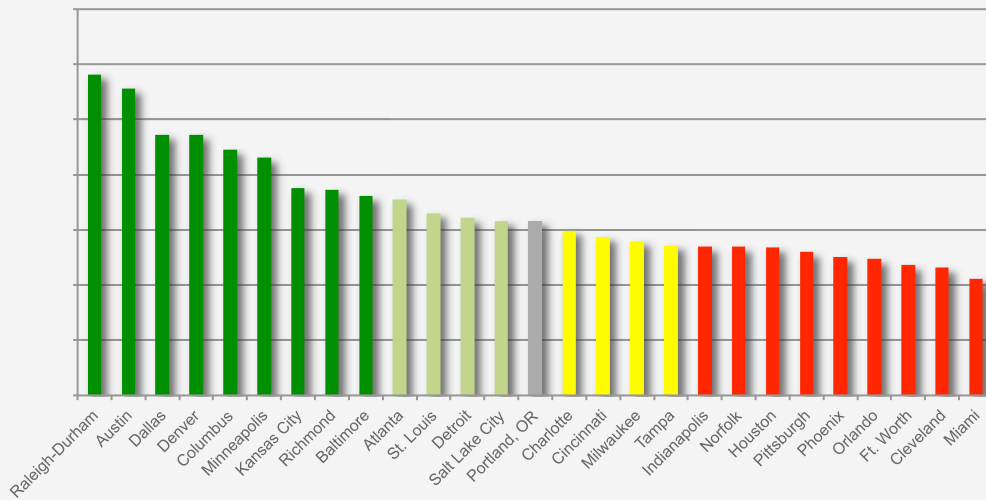
It has been extensively validated through in-depth interviews of large numbers of local employers of IT talent within a very wide range of Metros, as well as through monitoring the experience of our clients who have ultimately chosen to locate in markets that this methodology played a part in selecting.

Based on the in-depth employer interviews conducted across a wide range of markets, KLG finds that in those markets where this methodology predicts a strong potential for IT staffing, local employers of IT talent report (and demonstrate) the ability to easily recruit and retain this talent. Ultimately, KLG's clients have further validated this through their staffing experience in such markets.
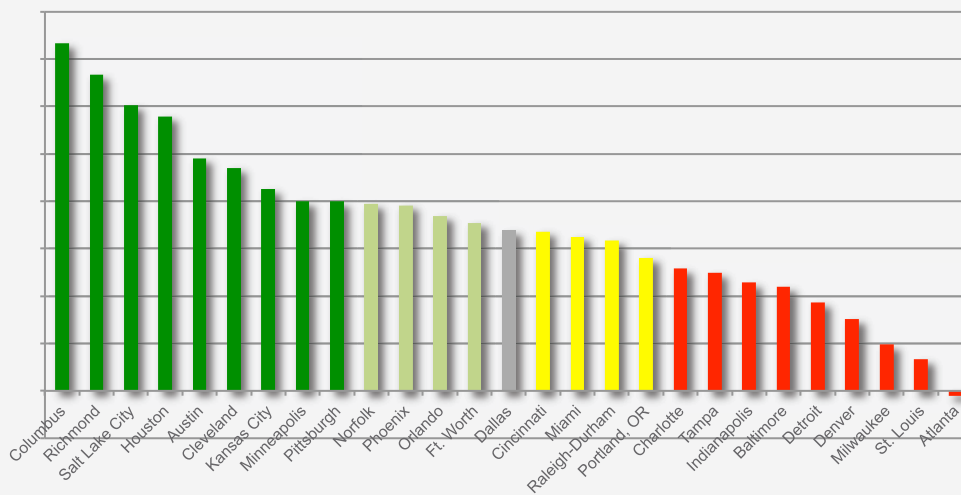
Conversely, employers in markets this methodology predicts will be challenging do struggle to adequately staff and retain IT talent.

It is also worth noting that KLG has cross-validated this methodology by utilizing a variety of mathematical means of combining and aggregating the key variables utilized and has found that there is strong convergence of the results regardless of the specific mathematical methodology utilized.
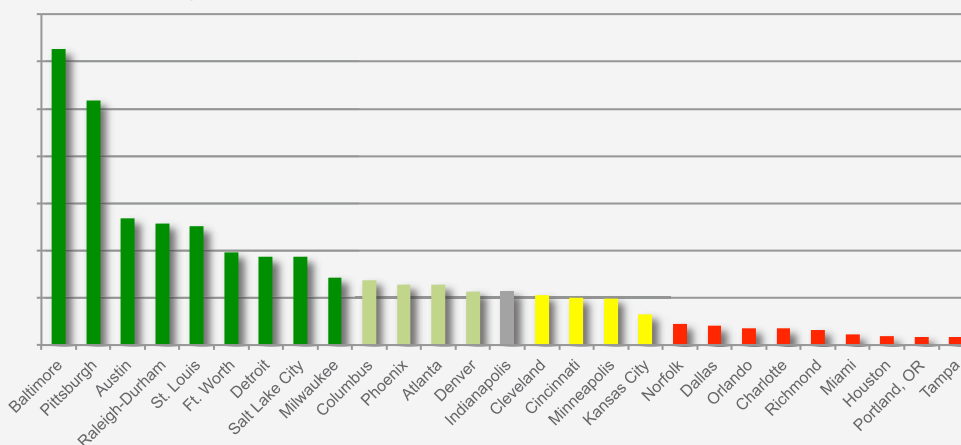
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IT Labor Force Concentration

Raleigh-Durham, Austin, Dallas, Denver, Columbus, Minneapolis, Kansas City, Richmond, Baltimore, Atlanta, St. Louis, Detroit, Salt Lake City, Portland, OR, Charlotte, Cincinnati, Milwaukee, Tampa, Indianapolis, Norfolk, Houston, Pittsburgh, Phoenix, Orlando, Ft. Worth, Cleveland, Miami

IT Labor Force Growth (AAGR, Five Year Trend)

Columbus, Richmond, Salt Lake City, Houston, Austin, Cleveland, Kansas City, Minneapolis, Pittsburgh, Norfolk, Phoenix, Orlando, Ft. Worth, Dallas, Cincinnati, Miami, Raleigh-Durham, Portland, OR, Charlotte, Tampa, Indianapolis, Baltimore, Detroit, Denver, Milwaukee, St. Louis, Atlanta

Tier 1 & 2 University IT Grad Output as Pct. Of Current IT Labor Force

Baltimore, Pittsburgh, Austin, Raleigh-Durham, St. Louis, Ft. Worth, Detroit, Salt Lake City, Milwaukee, Columbus, Phoenix, Atlanta, Denver, Indianapolis, Cleveland, Cincinnati, Minneapolis, Kansas City, Norfolk, Dallas, Orlando, Charlotte, Richmond, Miami, Houston, Portland, OR, Tampa

Limited to top tier institutions within a 50 mile radius of each Metro (defined as Tier 1 and Tier 2 schools per US News and World Report rankings). Data represent all students graduating with a Bachelor, Masters, or Ph.D. degree in an IT-related program from these institutions.

Note: All data utilized in the report was obtained from U.S. Federal Government agencies. Actual data values have been omitted from this report in order to preserve KLG's proprietary methods for constructing the indices shown.

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KLG Advisors is the premier advisory firm for companies seeking to implement location and real estate decisions that deliver lasting advantage. Our objective, informed advice gives business leaders the clarity, impartiality, and foresight they need to proceed with confidence.

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SERVICE OFFERINGS

LOCATION STRATEGY AND SELECTION
- Strategy Development and Assessment
- Location and Site Selection
- Change Management and Implementation
- M&A Services

BUSINESS INCENTIVE SOLUTIONS
- Incentives Assessment
- Incentive Strategy, Deal Structuring and Negotiation
- Legislative Support
- Documentation
- Post-Deal Administration, Audit and Compliance
- Renegotiation and Restructuring

CORPORATE REAL ESTATE ADVISORY SERVICES
- Portfolio Evaluation and Optimization
- Asset Due Diligence & Evaluation
- Macro-level Adjacency & Space Utilization
- Transaction Structuring
- Principal Representation
- M&A Services

COMPANY PROFILE
- A specialized and focused firm founded in 1993
- Principals alone have over 80 years of consulting experience
- Blue chip clients from every major industry sector
- Handle expansions, relocations and consolidations

A TRACK RECORD OF SUCCESS

In the last several years alone, KLG Advisors has helped its clients to:
- Achieve annual compensation savings of $450 million via changing locations
- Secure over $300 million in public sector incentives (mainly in the form of cash)
- Save over $200 million in occupancy expenses (via real estate portfolio optimization)

HELPING THE WORLD'S LEADING COMPANIES UNLOCK THE POWER OF PLACE

KLG has helped scores of clients to determine – and ultimately achieve – the best geographic and physical configuration to support their business goals and create dramatic competitive advantages. Backed by an unsurpassed level of detail and analysis, our objective advice has enabled our clients to get where they need to be – physically, operationally, and financially. Below are just a few of the companies we are proud to have served.

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